CHAPTER 174

GOVERNMENT - STATE

SENATE BILL 23-166

BY SENATOR(S) Cutter and Exum, Buckner, Coleman, Fields, Gonzales, Hansen, Jaquez Lewis, Marchman, Moreno, Priola, Sullivan, Winter F., Fenberg:

also REPRESENTATIVE(S) Froelich and Velasco, Amabile, Bacon, Bird, Boesenecker, Brown, Dickson, English, Epps, Garcia, Gonzales-Gutierrez, Hamrick, Herod, Jodeh, Joseph, Kipp, Lindsay, McCormick, Michaelson Jenet, Ricks, Sirota, Snyder, Story, Titone, Valdez, Willford, Woodrow, McCluskie,

AN ACT

CONCERNING THE ESTABLISHMENT OF A WILDFIRE RESILIENCY CODE BOARD, AND, IN CONNECTION THEREWITH, REQUIRING THE WILDFIRE RESILIENCY CODE BOARD TO ADOPT MODEL CODES, REQUIRING GOVERNING BODIES WITH JURISDICTION IN AN AREA WITHIN THE WILDLAND-URBAN INTERFACE TO ADOPT CODES THAT MEET OR EXCEED THE STANDARDS SET FORTH IN THE MODEL CODES, AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, add 24-33.5-1236 and 24-33.5-1237 as follows:

- 24-33.5-1236. Wildfire resiliency code board powers and duties rules cash fund - legislative declaration - definitions. (1) Legislative declaration. (a) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:
- (I) COLORADO'S WILDFIRE RISK HAS CONTINUED TO INCREASE OVER THE YEARS AND MORE COMMUNITIES ARE AT RISK OF WILDFIRES;
- (II) COLORADO WILDFIRES HAVE GROWN IN INTENSITY, FREQUENCY, AND DEVASTATION SINCE THE YEAR 2000;
- (III) A COMBINED APPROACH OF STRUCTURE HARDENING AND REDUCING FIRE RISK IN THE DEFENSIBLE SPACE SURROUNDING STRUCTURES IS NECESSARY TO REDUCE THE RISK OF DAMAGE TO COLORADO COMMUNITIES FROM THE EFFECTS OF WILDFIRES. This risk includes the loss of life, homes, businesses, and other structures AND THE LOSS OF JOBS AND ECONOMIC VITALITY. RISK EVALUATION IS BASED ON MANY FACTORS, INCLUDING PROXIMITY TO STRUCTURES. HARDENING STRUCTURES

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

IS THE PROCESS OF MAKING STRUCTURES MORE RESILIENT TO IGNITION AND INVOLVES BEST PRACTICES TO PROTECT A STRUCTURE FROM THE RISK OF WILDFIRE AND TO PREVENT A STRUCTURE FIRE FROM STARTING A WILDFIRE.

- (IV) Building structures, including houses, that are resilient to wildfire risk is as affordable or more affordable than building nonresilient structures and reduces structure loss, the financial investment required to rebuild structures, cost of insurance, and problems related to underinsurance. In light of these financial implications, increasing housing stock with wildfire resilient structures increases and protects the affordable housing stock.
- (V) The division and the Colorado fire commission have engaged in a stakeholder-driven strategic planning effort to evaluate the best approach to ensure that Colorado's communities, properties, and structures are protected from the effects of wildfires and have recommended the creation of a wildfire resiliency code board in Colorado; and
- (VI) ESTABLISHING A CODE BOARD WILL ALLOW THE STATE TO ADOPT AND ENFORCE BEST PRACTICE APPROACHES TO HARDENING STRUCTURES AND REDUCING FIRE RISK IN THE DEFENSIBLE SPACE SURROUNDING STRUCTURES THROUGHOUT COLORADO WHILE CONTINUING TO INVOLVE IMPACTED STAKEHOLDERS IN DECISION-MAKING CONCERNING WILDFIRE RESILIENCY CODES. AS ONE OF ITS FUNCTIONS, THE CODE BOARD WILL ENDEAVOR TO ESTABLISH A CONSISTENT STATE-LEVEL DEFINITION FOR THE WILDLAND-URBAN INTERFACE THAT CAN BE USED BY ALL APPLICABLE STATE AGENCIES.
- (b) Therefore, the general assembly declares that establishing a wildfire resiliency code board serves the interests of the state and local communities in constructing safer and more resilient communities and reducing risk to people and property.
- (2) **Board created.** The wildfire resiliency code board, referred to in this section as the "board", is created in the division as a **type 2** entity, as defined in section 24-1-105. Except as otherwise provided in subsection (4)(b) of this section, the board exercises its powers and performs its duties and functions under the division and the executive director.
- (3) **Membership.** (a) The board consists of twenty-one voting members who must be residents of Colorado, appointed as follows:
- (I) Three members representing Colorado building codes professionals, including:
- (A) One representing rural communities, appointed by the speaker of the house of representatives;
- (B) One representing urban communities, appointed by the president of the senate; and

- (C) One architect with experience using wildfire resiliency codes in the state who represents a statewide organization for architects, appointed by the executive director;
- (II) Three members, two of which are either a fire marshal, fire chief, or fire engineer and one of which has specialized expertise in wildland fire behavior or wildfire mitigation science and strategies, each appointed by the executive director;
- (III) ONE MEMBER REPRESENTING A STATEWIDE ORGANIZATION FOR HOME BUILDING PROFESSIONALS, APPOINTED BY THE MINORITY LEADER OF THE SENATE;
- (IV) One member representing a statewide organization for commercial building professionals, appointed by the speaker of the house of representatives;
- (V) ONE MEMBER REPRESENTING COLORADO LAND USE OR COMMUNITY PLANNING PROFESSIONALS, APPOINTED BY THE EXECUTIVE DIRECTOR;
- (VI) ONE MEMBER REPRESENTING HAZARD MITIGATION PROFESSIONALS, APPOINTED BY THE EXECUTIVE DIRECTOR;
- (VII) SIX MEMBERS REPRESENTING COLORADO LOCAL GOVERNMENTS, INCLUDING:
- (A) One municipal representative representing rural communities who is appointed by the minority leader of the house of representatives, and one county representative representing rural communities who is appointed by the minority leader of the senate;
- (B) ONE MUNICIPAL REPRESENTATIVE REPRESENTING URBAN COMMUNITIES WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND ONE COUNTY REPRESENTATIVE REPRESENTING URBAN COMMUNITIES WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE; AND
- (C) One municipal and one county representative representing a municipality and a county that, prior to September 30, 2023, has adopted a code that provides, minimally, for wildfire resilient structures and best practices, each appointed by the executive director;
- (VIII) ONE MEMBER REPRESENTING A STATEWIDE ASSOCIATION OF PROPERTY AND CASUALTY COMPANIES, APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES;
- (IX) One member representing the building trades, appointed by the executive director;
- (X) ONE MEMBER REPRESENTING A STATEWIDE ASSOCIATION OF NONPROFIT UTILITIES, APPOINTED BY THE PRESIDENT OF THE SENATE;
 - (XI) ONE MEMBER REPRESENTING AN INVESTOR-OWNED UTILITY, APPOINTED BY

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES; AND

- (XII) ONE MEMBER REPRESENTING A NONPROFIT HOME BUILDER FOR AFFORDABLE HOME OWNERSHIP THAT SERVES POPULATIONS WITH INCOMES UNDER EIGHTY PERCENT OF AN AREA'S MEDIAN INCOME, APPOINTED BY THE EXECUTIVE DIRECTOR.
 - (b) The board includes the following nonvoting ex officio members:
 - (I) THE DIRECTOR OR THE DIRECTOR'S DESIGNEE;
 - (II) The state forester or the state forester's designee; and
- (III) THE DIRECTOR OF THE COLORADO RESILIENCY OFFICE CREATED IN SECTION 24-32-121 OR THE DIRECTOR'S DESIGNEE.
- (c) Initial appointments must be made no later than September 30, 2023. In addition to the requirements set forth in subsection (3)(a) of this section, and notwithstanding the requirements set forth in subsection (3)(g) of this section, individuals initially appointed to the board must reside or work within an area of the state that is at high risk for wildfire as determined with input from the Colorado state forest service, and subsequently appointed members must reside or work in areas of the state within the wildland-urban interface as defined by the board pursuant to subsection (4)(b)(1) of this section.
- (d) The term of appointments for appointed members is three years; except that the terms shall be staggered so that no more than seven members' terms expire in one year. A member may be reappointed for one additional term. In the event of a vacancy, the applicable person authorized to appoint a member or members as set forth in subsection (3)(a) of this section for the applicable position that is vacant shall appoint a new member to the vacant position for the remainder of the unexpired term. A member appointed to fill a vacancy must meet the qualifications for the vacant position.
- (e) Each member of the board serves without compensation but is entitled to reimbursement from the wildfire resiliency code board cash fund created in subsection (8) of this section for actual and necessary travel expenses incurred in the performance of the member's duties as a member of the board.
 - (f) THE EXECUTIVE DIRECTOR SHALL APPOINT THE CHAIR OF THE BOARD.
- (g) In addition to the requirements of this subsection (3), when making appointments to the board, reasonable efforts must be made to appoint members who reflect the geographic and demographic diversity of the entire state.
- (4) **Powers and duties.** (a) The mission of the board is to ensure that Colorado communities are safer from and more resilient to wildfires by reducing the risk to people and property through the adoption of

STATEWIDE CODES AND STANDARDS BASED ON BEST PRACTICE APPROACHES TO HARDENING STRUCTURES AND REDUCING FIRE RISK IN THE DEFENSIBLE SPACE SURROUNDING STRUCTURES IN THE WILDLAND-URBAN INTERFACE IN COLORADO.

- (b) In furtherance of its mission, the board shall promulgate rules in accordance with article 4 of this title 24 concerning the adoption of minimum codes and standards for hardening structures and reducing fire risk in the defensible space surrounding structures in the wildland-urban interface in Colorado. Notwithstanding section 24-1-105 (1)(c) or any other law to the contrary, the rules promulgated by the board are not subject to approval or modification by the director or the executive director. At a minimum, the rules must:
- (I) Define the wildland-urban interface and identify the areas of Colorado that are included within it; except that, notwithstanding the area that the board identifies as included within the wildland-urban interface, any thirty-five acre parcel with only one residential structure on it that does not abut a residential or commercial area is exempt from adherence to the codes. In defining Colorado's wildland-urban interface, the board may consider best practices including but not limited to practices of other states and the federal government; regional differences and risks within the state; environmental, health, and safety impacts; any existing definitions of the term wildland-urban interface; and individual risk profiles identified by the Colorado state forest service. The definition of the wildland-urban interface shall be updated once every three years, as the board determines may be necessary.
- (II) Adopt minimum codes and standards, referred to in this section as the "codes", that must:
- (A) BE BASED ON BEST PRACTICES TO REDUCE THE RISK TO LIFE AND PROPERTY FROM THE EFFECTS OF WILDFIRES;
- (B) Take into consideration the fiscal impacts of adopting such codes, including but not limited to cost impacts for cities, counties, and property owners related to construction costs, insurance coverage, and reduction of risk for damage or loss of structures from fires, and take into consideration regional risk profiles within the state, environmental impacts, existing model codes, regional differences in affordability, density, and existing building and property maintenance codes, and health and safety impacts;
- (C) Apply to permitting and inspections for new construction of structures or defensible space around structures and for new construction for an external addition, alteration, or repair to a structure or the defensible space around the structure in accordance with this subsection (4)(b)(II)(C). Compliance with the codes is required for permits and inspections in connection with increasing the footprint of a structure by five hundred square feet, including adding attachments to the structure. Compliance with the codes is required for permits and

INSPECTIONS IN CONNECTION WITH AN ALTERATION OR REPAIR TO THE EXTERIOR OF AN EXISTING STRUCTURE, OR AN ATTACHMENT TO IT, IF TWENTY-FIVE PERCENT OR MORE OF THE EXTERIOR OF THE STRUCTURE OR THE ATTACHMENT TO IT IS AFFECTED BY THE ALTERATION OR REPAIR. COMPLIANCE WITH THE CODES IS REQUIRED FOR THE ADDITION OF A WOODEN DECK TO A STRUCTURE. THE CODES SHALL NOT APPLY TO INTERIOR ALTERATIONS OF EXISTING STRUCTURES.

- (D) BE INITIALLY ADOPTED BY THE BOARD NO LATER THAN JULY 1, 2025, AND REVIEWED BY THE BOARD EVERY THREE YEARS AND UPDATED OR SUPPLEMENTED AS THE BOARD DETERMINES MAY BE NECESSARY;
- (III) IDENTIFY THE RANGE OF HAZARDS AND THE TYPES OF BUILDINGS, ENTITIES, AND DEFENSIBLE SPACE AROUND STRUCTURES WITHIN THE WILDLAND-URBAN INTERFACE TO WHICH THE CODES APPLY;
- (IV) ESTABLISH THE PROCESS BY WHICH A GOVERNING BODY MAY PETITION THE BOARD FOR A MODIFICATION TO THE CODES IN ACCORDANCE WITH SECTION 24-33.5-1237 (3);
- (V) Establish the criteria and process for the board to deny or grant an appeal from a decision by the board on a petition for modification made pursuant to the rules adopted in accordance with subsection (4)(b)(IV) of this section; and
- (VI) ESTABLISH CRITERIA AND PARAMETERS CONSISTENT WITH SECTIONS 24-65.1-105 AND 29-20-108 FOR EXPEDITED CONSIDERATION OR APPROVAL OF AN EXEMPTION FROM THE CODE FOR ACTIVITIES OR INVESTMENTS RELATED TO REPAIR, REPLACEMENT, OR HARDENING OF EXISTING UTILITY INFRASTRUCTURE PRIMARILY WITHIN EXISTING TRANSMISSION ROUTES THAT MITIGATE WILDFIRE RISK.
- (c) In addition to promulgating the rules required by subsection (4)(b) of this section, the board shall:
- (I) When promulgating rules pursuant to subsection (4)(b) of this section, collaborate with:
 - (A) THE DIVISION OF INSURANCE CREATED IN SECTION 10-1-103 (1);
 - (B) THE DEPARTMENT OF LOCAL AFFAIRS; AND
 - (C) THE ENERGY CODE BOARD ESTABLISHED IN SECTION 24-38.5-401 (2);
- (II) Pursuant to the board's collaboration with the energy code board as required by subsection (4)(c)(I)(C) of this section, the board shall work with the energy code board to identify any conflicts between codes developed by the energy code board pursuant to section 24-38.5-401 (5) and (6) and rules promulgated by the board and make best efforts to resolve any conflicts;
 - (III) CONSIDER OPPORTUNITIES TO INCENTIVIZE AND SUPPORT GOVERNING BODIES

IN ADOPTING MORE STRINGENT CODES THAN THE CODES ADOPTED IN ACCORDANCE WITH SUBSECTION (4)(b)(II) OF THIS SECTION;

- (IV) Receive petitions for modification of the codes and standards submitted by governing bodies in accordance with section 24-33.5-1237(3) and rules adopted by the board pursuant to subsection (4)(b) of this section; and
- (V) Review appeals, conduct hearings, and issue decisions in accordance with section 24-33.5-1237 and rules adopted by the board pursuant to subsection (4)(b) of this section.
- (d) Properties with a certificate of occupancy are not required to be in compliance with the codes prior to the sale or transfer of a property.
- (e) Except as otherwise provided in this section and in section 24-33.5-1237, the board is not authorized to make or adopt land use policies.
- (f) The board shall hold hearings to allow for statewide public input and shall proactively solicit public feedback when promulgating rules pursuant to this section.
- (g) The board shall not approve final adoption of the codes, or any updates or supplements to the codes pursuant to subsection (4)(b) of this section, until at least three statewide public hearings have been held, including at least one hearing held in a location west of the continental divide and at least one hearing held in a location east of the continental divide and either south of El Paso county's southern boundary or east of Arapahoe county's eastern boundary. Members of the board may participate electronically and the board shall establish rules to provide for the necessary elements for electronic attendance at hearings.
- (5) **Staff support.** The division and the Colorado fire commission shall provide office space, equipment, and staff services as necessary to implement this section. The division shall provide assistance to the board in maintaining a publicly accessible website that must contain current information on actions taken by the board and current information about the codes.
- (6) **Reports.** (a) Notwithstanding section 24-1-136 (11)(a)(I), on or before September 30, 2024, and on or before September 30 each year thereafter, the board shall submit a written report to the wildfire matters review committee created in section 2-3-1602 and the director on its activities, actions, and recommendations for improvement.
- (b) The report required by subsection (6)(a) of this section must include information concerning:
 - (I) DEFINITIONS ADOPTED BY THE BOARD;

SECTION.

- (II) PERFORMANCE METRICS ADOPTED AND USED BY THE BOARD; AND
- (III) COMPLIANCE WITH THE CODES ADOPTED BY THE BOARD, INCLUDING:
- (A) A LIST OF GOVERNING BODIES THAT HAVE ADOPTED A CODE THAT MEETS THE MINIMUM STANDARDS SET FORTH IN THE CODES;
- (B) A LIST OF GOVERNING BODIES THAT HAVE ADOPTED A CODE THAT EXCEEDS THE MINIMUM STANDARDS SET FORTH IN THE CODES;
- (C) A LIST OF ANY GOVERNING BODIES THAT THE BOARD BELIEVES TO NOT BE IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN SECTION 24-33.5-1237 (2)(a);
- (D) A List of any governing bodies that have approved modifications to the governing body's code by the board and a description of the approved modifications; and
- (E) A LIST OF ANY GOVERNING BODIES THAT HAVE APPLIED TO THE BOARD FOR A MODIFICATION TO THE GOVERNING BODY'S CODE, A DESCRIPTION OF EACH PROPOSED MODIFICATION, AND THE STATUS OF THE APPEAL.
- (7) **Gifts, grants, and donations.** The board may seek, accept, and expend gifts, grants, or donations from private or public sources for the purposes of this section and section 24-33.5-1237. The board shall transmit all money received through gifts, grants, or donations to the state treasurer, who shall credit the money to the wildfire resiliency code board cash fund created in subsection (8) of this
- (8) Wildfire resiliency code board cash fund. (a) The wildfire resiliency code board cash fund, referred to in this subsection (8) as the "fund", is created in the state treasury. The fund consists of money transferred to the fund pursuant to subsection (8)(d) of this section, money credited to the fund pursuant to this section, money credited to the fund pursuant to section 24-33.5-1237 (2)(d), and any other money that the general assembly may appropriate or transfer to the fund.
- (b) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.
- (c) Subject to annual appropriation by the general assembly, the department may expend money from the fund for the implementation of this section and of section 24-33.5-1237.
- (d) On July 1, 2023, the state treasurer shall transfer two hundred fifty thousand dollars from the general fund to the fund.
- (9) As used in this section, unless the context otherwise requires, "Governing body" has the same meaning as set forth in section 24-33.5-1237(1)(d).

- **24-33.5-1237. Application of wildfire resiliency codes enforcement definitions.** (1) As used in this section, unless the context otherwise requires:
- (a) "BOARD" MEANS THE WILDFIRE RESILIENCY CODE BOARD CREATED IN SECTION 24-33.5-1236 (2).
- (b) "Codes" means the minimum codes and standards adopted by the board pursuant to section 24-33.5-1236 (4)(b)(II).
- (c) "Code board cash fund" means the wildfire resiliency code board cash fund created in section 24-33.5-1236(8).
 - (d) "Governing body" means:
- (I) The city council, town council, board of trustees, or other governing body of a city, town, or city and county;
- (II) THE BOARD OF DIRECTORS OF A FIRE PROTECTION DISTRICT ORGANIZED PURSUANT TO PART 1 OF ARTICLE 1 OF TITLE 32;
- (III) The governing body of an improvement district that provides fire protection services organized pursuant to part 5 of article 20 of title 30; or
- (IV) The board of county commissioners with respect to the area within a county that is outside the corporate limits of a city or town and outside the boundaries of a fire protection district.
- (e) "Wildland-urban interface" has the same meaning as set forth by the board in its rules pursuant to section 24-33.5-1236 (4)(b)(I).
- (2) (a) A governing body with jurisdiction in an area within the wildland-urban interface that has the authority to adopt building codes or fire codes shall adopt a code that meets or exceeds the minimum standards set forth in the codes within three months of the board adopting the codes in accordance with section 24-33.5-1236 (4)(b)(II)(D).
- (b) Enforcement of a code adopted pursuant to subsection (2)(a) of this section shall be in accordance with the rules and regulations for code enforcement by the governing body. The period to comply with an adopted code shall be in accordance with the rules and regulations of the governing body or within three months of the date the code is adopted by the governing body, whichever is sooner.
- (c) The board may review a governing body's codes adopted pursuant to subsection (2)(a) of this section and a governing body's application of the adopted codes to determine compliance with the requirements of this section. Governing bodies shall cooperate with the board and be responsive to any requests for information from the board made pursuant to the board's review set forth in this subsection (2)(c).

- (d) Notwithstanding subsection (2)(b) of this section, if a governing body does not have rules and regulations in place for the enforcement of a code adopted pursuant to subsection (2)(a) of this section, the governing body may request support from the division in conducting inspections and enforcing the code pursuant to the division's procedures set forth in section 24-33.5-1213; except that any civil penalty collected pursuant to section 24-33.5-1213 (4) shall be deposited in the code board cash fund. The division may charge a reasonable fee to the property owner for conducting inspections and enforcing the code, and money from the fee shall be deposited in the code board cash fund.
- (3) A governing body may petition the board for a modification of the codes within its jurisdiction in accordance with procedures adopted by the board pursuant to section 24-33.5-1236 (4)(b)(IV). If the board grants the petition for modification, the modification applies only within the jurisdiction that is granted the modification. The order granting the petition for modification must specify a date on which the modification expires, and the governing body must petition the board before the expiration date to keep the modification in effect, or the board at its discretion and through its own action may extend the modification and specify a new expiration date. A governing body may appeal a denial of a petition to the board in accordance with procedures adopted by the board pursuant to section 24-33.5-1236 (4)(b)(V).
- (4) The public utilities commission created in Section 40-2-101 shall consider application of the codes when carrying out the public utilities law; carrying out and implementing its policies, procedures, and decisions; and meeting any requirements under its jurisdiction.
- **SECTION 2.** In Colorado Revised Statutes, 24-75-402, **amend** (5)(yy) and (5)(zz); and **add** (5)(ccc) as follows:
- **24-75-402.** Cash funds limit on uncommitted reserves reduction in the amount of fees exclusions definitions. (5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:
 - (yy) The disability support fund created in section 24-30-2205.5 (1); and
- (zz) The responsible gaming grant program cash fund created in section 44-30-1702 (8); AND
- (ccc) The wildfire resiliency code board cash fund created in section 24-33.5-1236 (8).
- **SECTION 3. Appropriation.** (1) For the 2023-24 state fiscal year, \$9,302 is appropriated to the wildfire resiliency code board cash fund created in section 24-33.5-1236 (8)(a), C.R.S. This appropriation is from the general fund. The department of public safety is responsible for the accounting related to this appropriation.

- (2) For the 2023-24 state fiscal year, \$9,302 is appropriated to the department of public safety. This appropriation is from reappropriated funds in the wildfire resiliency code board cash fund under subsection (1) of this section. To implement this act, the department may use this appropriation as follows:
- (a) \$1,589 for use by the division of fire prevention and control for the wildfire resiliency code board; and
 - (b) \$7,713 for use by the executive director's office for vehicle lease payments.
- (3) For the 2023-24 state fiscal year, \$250,000 is appropriated to the department of public safety for use by the division of fire prevention and control. This appropriation is from the wildfire resiliency code board cash fund created in section 24-33.5-1236 (8)(a), C.R.S., and is based on an assumption that the division will require an additional 2.0 FTE. To implement this act, the division may use this appropriation for the wildfire resiliency code board.
- **SECTION 4. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 12, 2023